GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1532
ANSWERED ON:24.11.2016
Needs of Funds in Power Sector
Tripathi Shri Sharad

Will the Minister of POWER be pleased to state:

(a) whether the Government has made any evaluation of the need of funds in power sector from 2014 to 2019, if so, the details thereof;

(b) whether the Government had invited the foreign investors to invest in power sector of the country; and

(c) if so, the details thereof along with the response received in this regard?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL, NEW & RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a) : As per the 12th Five Year Plan (2012-17) document of the erstwhile Planning Commission, the projected investment in Electricity and Renewable Energy Sector was Rs. 15,01,666 crore and Rs. 3,18,626 crore respectively. Further, the High Level Committee on Financing Infrastructure constituted by the erstwhile Planning Commission in its Second Report (June , 2014) indicated a revised projected investment in Electricity and Renewable Energy Sector during the 12th Plan period (2012-17) as Rs. 9,08,463 crore and Rs. 1,70,628 crore respectively.
(b) & (c) : Department of Industrial Policy & Promotion (DIPP), Ministry of Commerce, Government of India notifies the 'Consolidated FDI Policy' from time to time to encourage the foreign investment which includes power sector also.

The existing Foreign Direct Investment (FDI) policy notified in June 2016 by DIPP for FDI in Power Sector provides for 100% FDI under automatic route for projects of power generation (except atomic energy), transmission, distribution and trading. Government of India has also allowed the FDI up to 49% in Power Exchanges registered under the Central Electricity Regulatory Commission (Power Market) Regulations, 2010, under the automatic route, subject to certain conditions, as laid down in the policy.
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